

1 UNITED STATES COURT OF APPEALS

2
3 FOR THE SECOND CIRCUIT

4
5 August Term, 2003

6
7 (Argued: May 20, 2004

Decided: July 13, 2004)

8
9 Docket No. 03-7909

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13 MYWEBGROCER, LLC,

14
15 Plaintiff-Counter-Defendant-Appellant,

16
17 - v. -

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19 HOMETOWN INFO, INC., d/b/a Grocery Shopping Network, and
20 ANDREW D. ROBINSON,

21
22 Defendants-Third-Party-Plaintiffs-Appellees,

23
24 RICHARD E. TARRANT,

25
26 Third-Party-Defendant.

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28 - - - - -
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30 B e f o r e: WINTER, STRAUB, AND LAY,* Circuit Judges.

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32 MyWebGrocer, LLC appeals from the denial of a preliminary
33 injunction against Hometown Info, Inc. by the United States District
34 Court for the District of Vermont (William K. Sessions III, Judge).
35 MyWebGrocer argues that the district court erred in holding that
36 MyWebGrocer was unlikely to prevail at trial on its copyright claim
37 for infringement of its grocery store product descriptions used in
38 online shopping. We affirm the district court's denial of the

*The Honorable Donald P. Lay, United States Circuit Judge
for the Eighth Circuit Court of Appeals, sitting by designation.

1 preliminary injunction on other grounds.

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7

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14 Appellees.
15
16

17 WINTER, Circuit Judge:

18 MyWebGrocer, LLC ("MyWeb") appeals from Judge Sessions's denial
19 of a preliminary injunction that would have barred HomeTown Info.
20 and its CEO Andrew Robinson (collectively "HomeTown") from using
21 grocery product descriptions for online shopping developed and
22 copyrighted by MyWeb. The district court held that MyWeb was
23 unlikely to prevail at trial on its claims because the product
24 descriptions were not sufficiently creative to be copyrightable. We
25 affirm but on somewhat different grounds.

26 BACKGROUND

27 MyWeb and HomeTown are competitors in the business of
28 developing and maintaining online grocery shopping systems for
29 traditional grocery stores. Such businesses create descriptions of
30 grocery products and then use them on their clients' websites. They
31 create these product descriptions by collecting raw product
32 information from various sources, including product packages. Each

1 then selects the information that it deems important or useful to
2 online shoppers and organizes and arranges that information so as to
3 facilitate and encourage online shopping.

4 In February 2001, D'Agostino Supermarkets entered into a two
5 year contract with MyWeb to create and maintain its online grocery
6 store. D'Agostino had not previously had such a store. MyWeb
7 populated the new website with approximately 18,000 product
8 descriptions. These descriptions were created solely by MyWeb
9 except for cases where MyWeb did not have preexisting product
10 descriptions for particular items sold by D'Agostino. In those
11 cases, the two jointly developed product descriptions.

12 At some point before March 26, 2003, D'Agostino told MyWeb that
13 it would probably not renew its contract. On that day, MyWeb
14 applied for and received a Certificate of Registration from the U.S.
15 Copyright Office for "MyWebGrocer Website -- D'Agostino Segment."
16 The copyright was for "new text; compilation and editorial revision"
17 and had an effective date of March 27, 2003. MyWeb noted that the
18 copyrighted material was derived in part from a 2000 copyright, the
19 content of which does not appear in the record. According to MyWeb,
20 the 2003 copyright protects, inter alia, about 18,000 product
21 descriptions on the D'Agostino website.

22 On April 1, 2003, after negotiating a site development and
23 hosting contract with D'Agostino, HomeTown activated a new
24 D'Agostino website. The product descriptions used on MyWeb's

1 D'Agostino site had been provided to HomeTown by D'Agostino and were
2 used verbatim, except for capitalization, on the new website.
3 HomeTown had previously become the provider for a former MyWeb
4 client, and Hometown subsequently attempted to attract one or two of
5 MyWeb's other clients using the new D'Agostino site as an example of
6 HomeTown's capabilities.

7 MyWeb filed the present complaint against HomeTown on April 15,
8 2003, alleging copyright infringement, willful copyright
9 infringement, false designation of origin, tortious interference
10 with prospective business relations, a RICO claim, unfair
11 competition, and trespass. HomeTown counterclaimed alleging unfair
12 competition, defamation, tortious interference with contract and
13 false designation of origin, and also sought a declaratory judgment
14 that MyWeb's copyright was void. MyWeb moved for a preliminary
15 injunction on May 7, 2003, asking the court to bar HomeTown's use of
16 its product descriptions. The court held evidentiary hearings on
17 the motion before denying it on the grounds that MyWeb was unlikely
18 to prevail at trial on its claims of copyright protection for the
19 product descriptions. In the district court's view, the product
20 descriptions in issue were not sufficiently creative to be
21 copyrighted because, although MyWeb's information gathering process
22 was "painstaking," "MyWeb exercises virtually no discretion in
23 choosing what facts to include in a product description, and the
24 arrangement of those facts is largely dictated by the use to which

1 the facts are put." My WebGrocer, LLC v. Hometown Info., No. 2:03-
2 CV-114, Memorandum and Order at 10 (D. Vt. Aug. 4, 2003). This
3 appeal followed.

4 DISCUSSION

5 A party seeking a preliminary injunction must demonstrate "(1)
6 irreparable harm in the absence of the injunction and (2) either (a)
7 a likelihood of success on the merits or (b) sufficiently serious
8 questions going to the merits to make them a fair ground for
9 litigation and a balance of hardships tipping decidedly in the
10 movant's favor." Merkos L'Inyonei Chinuch, Inc. v. Otsar Sifrei
11 Lubavitch, Inc., 312 F.3d 94, 96 (2d Cir. 2002) (internal citation
12 omitted). We review the denial of a preliminary injunction for
13 abuse of discretion. Id.

14 MyWeb has satisfied the irreparable harm prong of the
15 preliminary injunction test. It appears undisputed that the product
16 descriptions written by MyWeb were copied by HomeTown. Furthermore,
17 for reasons discussed infra, HomeTown has not met its burden of
18 rebutting MyWeb's prima facie evidence of the validity of its
19 copyright. See 17 U.S.C. § 410(c) (certificate of registration from
20 United States Register of Copyrights is prima facie evidence of
21 ownership of valid copyright); Hamil America, Inc. v. GFI, 193 F.3d
22 92, 98 (2d Cir. 1999) (alleged infringer bears the burden of
23 rebutting presumption of copyright validity). Thus, MyWeb has
24 established a prima facie case of infringement, and "when a

1 copyright plaintiff makes out a prima facie showing of infringement,
2 irreparable harm may be presumed." Otsar Sifrei Lubavitch, 312 F.3d
3 at 96 (internal quotation marks omitted).

4 However, MyWeb has not satisfied the second prong of the
5 preliminary injunction standard -- a showing either of likelihood of
6 success on the merits or of fair grounds for litigation and a
7 balance of hardships tipping decidedly in its favor. See id.
8 (applying preliminary injunction standard in copyright case).

9 A compilation of non-protectible facts is copyrightable if it
10 "features an original selection or arrangement of facts," Feist
11 Publ'ns, Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 350 (1991), so
12 that the selection or arrangement "possesses at least some minimal
13 degree of creativity," id. at 345. "Selection implies the exercise
14 of judgment in choosing which facts from a given body of data to
15 include in a compilation." Key Publ'ns, Inc. v. Chinatown Today
16 Publ'g Enters., Inc., 945 F.2d 509, 513 (2d Cir. 1991). We recently
17 held that "if the selection process imbues a compilation with the
18 requisite creative spark, the compilation may be protected so long
19 as there are indicia that principles of selection (other than
20 all-inclusiveness) have been employed." Silverstein v. Penguin
21 Putnam, Inc., 368 F.3d 77, 83 (2d Cir. 2004) (compiler of Dorothy
22 Parker's uncollected poems might be entitled to copyright if his
23 selection process involved more than seeking all uncollected poems
24 or if his selection of what constituted a poem and what did not was

1 original).

2 At the evidentiary hearings, MyWeb introduced a selection of
3 its own product descriptions and those of HomeTown and several other
4 competitors, examples of which we set out in an appendix to this
5 opinion. In describing Gerber baby food, for example, MyWeb
6 included the whole name -- "Gerber 1st Foods - Bananas." A
7 competitor, in contrast, included as little as necessary to identify
8 the item, brand, and sub-brand in its descriptions, writing only
9 "Gerber 1st Bananas." HomeTown included only "GERB BANANAS,"
10 omitting the sub-brand. MyWeb included what is apparently an
11 advertising slogan in a cracker description -- "Golden & Flaky" --
12 while HomeTown and others did not. MyWeb included the colors of
13 baking cups in its description -- "Pastels" -- while HomeTown and
14 others did not. MyWeb included "just add chicken or pork" in a
15 frozen meal description -- a phrase that is on the box but not in
16 the item title -- while HomeTown and others did not.

17 HomeTown is correct that the idea of using a manufacturer's
18 factual identification of a grocery product is not a sufficient
19 exercise of creativity and that the facts in a description of a
20 product's brand, manufacturer, or name are not copyrightable. But
21 some aspects of the MyWeb descriptions may involve original
22 selection, and if so, they are protected at least from wholesale
23 verbatim copying. The parties have not agreed that the record is
24 complete with regard to creativity and perhaps other issues, that is

1 to say, a full trial would involve more evidence. When the record
2 is complete, a trier of fact might conclude that the various
3 providers have different concepts of the most attractive and useful
4 product description -- brevity versus completeness, bare physical
5 essentials versus essentials plus puffery, full product names versus
6 abbreviations, for example. A trier might conclude that MyWeb made
7 creative choices about what to include or exclude in its product
8 descriptions -- e.g. advertising slogans, sub-brands, product
9 colors, and phrases from product packaging -- for the purpose of
10 facilitating and encouraging online shopping. Indeed, HomeTown's
11 pre-D'Agostino product descriptions were seemingly quite different
12 from those used by MyWeb. See Note 1, supra. MyWeb may therefore
13 have a narrow copyright in its product descriptions that protects
14 them from wholesale copying.

15 However, it is not clear that MyWeb is likely to succeed on the
16 merits, because a broader comparison of product descriptions by
17 various companies may persuade a trier that few of MyWeb's
18 descriptions include such creative elements, that the differences
19 between various companies' descriptions are so slight in the
20 aggregate as to be noncreative, or that MyWeb simply included all
21 the packaging information that would reasonably fit. At this stage,
22 therefore, MyWeb's claim presents only a fair grounds for
23 litigation.

24 If MyWeb's product descriptions are found to be sufficiently

1 creative to be original, a challenge based on the merger or scenes a
2 faire doctrines would likely be unsuccessful. The merger doctrine
3 bars a copyright of even original expression "when there is
4 essentially only one way to express an idea" and thus "the idea and
5 its expression are inseparable." Computer Assocs. Int'l v. Altai,
6 Inc., 982 F.2d 693, 707-08 (2d Cir. 1992) (internal quotation marks
7 omitted). The merger doctrine renders some aspects of the product
8 descriptions unprotectible -- such as the decision to include
9 information culled from product packaging in a product description.
10 If such inclusion were protected, MyWeb could potentially own a
11 copyright in the idea of online grocery shopping. However, as noted
12 above, only very limited aspects of the arrangement and selection of
13 information chosen by MyWeb may be found, after the introduction of
14 further evidence, to be sufficiently original to be copyrightable.
15 This thin copyright, if warranted, would not give MyWeb a copyright
16 in the idea of online grocery stores, but only in its original
17 selection and arrangement of descriptive information. Thus, the
18 merger doctrine would not invalidate MyWeb's copyright in the
19 original elements of its selection and arrangement.

20 Scenes a faire are unprotectible elements that follow naturally
21 from a work's theme rather than from an author's creativity. See
22 id. at 715. For example, "[f]oot chases and the morale problems of
23 policemen, not to mention the familiar figure of the Irish cop, are
24 venerable and often-recurring themes of police fiction. As such,

1 they are not copyrightable except to the extent they are given
2 unique -- and therefore protectible -- expression in an original
3 creation." Walker v. Time Life Films, Inc., 784 F.2d 44, 50 (2d
4 Cir. 1986). In the present matter, the scenes a faire doctrine
5 would render unprotectible only those elements of the product
6 descriptions that are unprotectible for lack of originality or due
7 to the merger doctrine. For example, use of an item title or
8 manufacturer in a product description might be an unprotectible
9 scene a faire, but these would already be unprotectible for lack of
10 originality or because protecting them would result in a copyright
11 over an idea. Selection or arrangement choices, however, if found
12 sufficiently creative to be original, would not be scenes a faire.

13 Therefore, because MyWeb has shown only fair grounds for
14 litigation, it is not entitled to a preliminary injunction unless
15 the balance of the hardships tips decidedly in its favor. However,
16 the balance of hardships is, viewing the facts in the light most
17 favorable to MyWeb, equal. Video Trip Corp. v. Lightning Video
18 Inc., 866 F.2d 50, 52 (2d Cir. 1989) (affirming denial of a
19 preliminary injunction in copyright case where there existed
20 irreparable harm but party was unlikely to succeed on merits and
21 balance of hardship was even). Both MyWeb and Hometown would suffer
22 determinable monetary damages should they not prevail on the
23 injunction issue. However, if a preliminary injunction were issued,
24 D'Agostino would be forced to shut down its online grocery store, at

1 least temporarily, perhaps permanently losing customers.

2 We have considered MyWeb's remaining arguments and find them to
3 be without merit. We therefore affirm.

4

APPENDIX

The following are examples of product descriptions used by HomeTown, MyWeb, and various similar firms. The numbers used refer to particular firms' descriptions as follows:

- 1) HomeTown before its D'Agostino site;
- 2) MyWeb's D'Agostino site;
- 3) HomeTown's D'Agostino site;
- 4) Safeway's site;
- 5) PeaPod's Stop & Shop site;
- 6) Albertson's site; and
- 7) Kroger's HomeShop site.

- 1) FRUIT BY FOOT STRAWBERRY (4.5 oz)
- 2) Betty Crocker Fruit by the Foot
Fruit Snacks Strawberry 6 - 0.75 oz Rolls
4.5 oz
- 3) BETTY CROCKER
fruit by the foot fruit snacks
strawberry 6 - 0.75 oz rolls (4.5 oz)
- 4) Betty Crocker Fruit Roll Ups
Strawberry Fruit By Foot - 4.5 Oz
- 5) Fruit By the Foot Strawberry
- 6) Betty Crocker Fruit by the Foot
Strawberry

* * *

- 1) GERB BANANAS
- 2) Gerber 1st Foods - Bananas
2.5 oz
- 3) GERBER
1st foods - bananas (2 1/2 oz)
- 4) Gerber First Foods Bananas - 2.5 Oz
- 5) Gerber 1st Bananas
2.5 OZ JAR

* * *

- 1) HH SHERRY COOKING WINE (16OZ)
 - 2) Holland House Cooking Wine Sherry
Cooking Wine Sherry
16 oz
 - 3) HOLLAND HOUSE
cooking wine sherry cooking wine
sherry (1 fl oz) [sic]
 - 5) Holland House Sherry Cooking Wine
 - 7) Holland House/Wine Vinegar For Cooking - Sherry
(16 Ounce)
- * * *
- 1) CARR'S CARR'S CROISSANT CRACKER
 - 2) Carr's Croissant Crackers
Golden & Flaky
5.29 oz
 - 3) CARRS
croissant crackers golden & flaky
(5.29 oz)
 - 4) Carrs Ent Croissant Cracker - 5.29 Oz
 - 7) Carrs/Snack Crackers - Croissant
Original (5.29 Ounce)
- * * *
- 1) REYNOLDS PAPER BAKE CUPS (50 CT.)
 - 2) Reynolds Baking Cups - Pastels
2½ Inch
50 ct
 - 3) REYNOLDS
baking cups - pastels 2½ inch (50 100 ct)
 - 4) Reynolds Baking Cups Paper - 50 Count
 - 5) Reynolds Baking Cups Paper
 - 7) Reynolds/Baking Cups - Paper Large (50 Count)
- * * *
- 1) GGCAM LOMN GREEN GIANT CREATE A MEAL
LO MEIN ASSORTED MIXED VEGETABLE
21 OZ
 - 2) Green Giant Create A Meal - Lo Mein
Stir Fry
Just Add Chicken or Pork
21 oz
 - 3) GREEN GIANT
create a meal - lo mein stir fry just
add chicken or pork (21 oz)
 - 5) Green Giant Create Meal LoMein
Stirfry
21 OZ BAG